Working Paper 24 – Prospects for Cooperation between India and Armenia

By: **Tomaz Ponce Dentinho, Sumana Bandyopadhyay, Anahit Harutyunian and Hriday Ch. Sarma**

Tomaz Ponce Dentinho is SADF's Regional Cooperation Research Programme Director. He completed his studies at the Centre for Urban and Development Studies of the University of Newcastle-upon-Tyne. He is the Editor-in-chief of *Regional Science Policy and Practice* and Professor of Agricultural, Environmental and Regional Economics at the University of the Azores.

Sumana Bandyopadhyay is a Professor of Urban Studies, Regional Planning and Social Geography at the University of Calcutta. She completed her studies at the Indian Institute of Technology in Mumbai and is the Editor-in-chief of the *Indian Journal of Regional Science*, President of the Indian Regional Science Association, and member of the Council of Regional Science Association International.

Anahit Harutyunian is a transport engineer as well as the Executive Director of the Caucasus Regional Science Association, Contract Manager and Consultant on the preparation and monitoring of projects sponsored by the World Bank, the Asian Development Bank, European Bank for Reconstruction and Development, among others.

Hriday Ch. Sarma is a Fellow with South Asia Democratic Forum. In addition, Hriday is the Founder and Team Coordinator of Center for South Caucasus-South Asia Business Development, a non-partisan organisation working towards building economic linkages between countries in South Caucasus and South Asia.

Abstract

There are significant historical links between Armenia and India. This working paper seeks to provide an understanding of the prospects of present and future cooperation between the two countries. It features the analysis and interpretation of a questionnaire devised for this study and sent to both Armenians and Indians, comparing thirty dimensions for cooperation. The conclusions drawn in this paper point to there being positive prospects for bilateral cooperation, namely in the areas of science and tourism. However, many constraints remain in what comes to overcoming trade barriers in Trans-Asian Routes.

Key words: Cooperation, Armenia, India, Q Method

<u>Highlights</u>

Trans-Asian Routes are essential for the maintenance and development of trade relations between Armenia and India. However, there are numerous barriers to their functioning, namely on the way across Pakistan and Iran.

There are good prospects for bilateral cooperation between the two countries in the areas of science and tourism.

Case studies presented indicate facility in the integration of Indian businesses in Armenia and vice-versa.

1. Introduction

Global empires always influenced the history of the interactions and cooperation between Armenia and India. The end of the Macedonian Empire ceased the connection between the two countries. The maritime route to India initiated by the Portuguese disturbed the Silk Road crossing Armenian lands in the Middle East. The Armenian communities established in India since the middle ages and reinforced after the XV century (Zenian, 2001; Parthasarathy, 2013) lost many of their members to Australia at the end of the British Rule. The Soviet Rule forced the centralization of the relations between Armenia and India through Moscow (Debkumar, 1998).

After the fall of the Soviet Union, bilateral trade between Armenia and India increased from US\$16.5 million (in 2005) to US \$ 71.72 million (in 2011) (Ministry of Foreign Affairs of India, 2012). Nevertheless India's exports to Armenia were US\$ 68.74 million in meat, electrical equipment, cut and polished diamonds, optical equipment, plastics, pharmaceuticals and other chemical goods and cars; whereas Armenia's exports to India were only US\$ 2.98 million in non-ferrous metals, raw-rubber, books and textiles (Embassy of India in Yerevan, 2015).

At present, there is a small Community of Armenians in Kolkata (Sarda, 2017). In Armenia, the Indian community consists of some entrepreneurs, and of over 400 students pursuing medical education at Yerevan State Medical University - currently is the only university allowed by the Armenian Ministry of Education to teach medicine in English.

This working paper analyses how these existent small signals of cooperation may evolve under the reality created by new and emerging global powers, including India - which have a major influence in small nodal countries like Armenia.

To provide an understanding of this, this study uses the Q Method technique described in the following section of this paper (point 2). Through this method, the data which is described in the third section of this article was collected, and a preliminary analysis of the same conducted (point 4). By extracting the principal component on the different responses to identify the main perspectives on prospect cooperation between Armenia and India (a process explained in point 5), this working paper at last discusses the results found (point 6). The conclusions at the end of the working paper (point 7) provide some suggestions as to the path forward in the relationship and cooperation between these two countries.

2. The Q Method

The Q Method serves as a tool to find the main standpoints and views on a given subject from a set of stakeholders. In the present paper, the idea is to identify areas for potential cooperation and areas where constraints are in place for prospective cooperation between the two nations under study. The Q Method steps for data collection and data treatment are the following:

- First, it is important to identify a set of 30 phrases that fit the topic under analysis, in this case the cooperation between Armenia and India.

- Second, around 20 persons (two thirds of the number of phrases to guarantee an effective estimations of principal components) are asked to evaluate the phrases from 1 to 5 according to the degree to which they agree or disagree with the statements;

- Third, data on the evaluation of the phrases are organized in a table, the 30 phrases by row as observations and the around 20 interviewees by columns as variables. The Principal Component Analysis synthesise the 20 qualitative perspectives of the stakeholders into fewer representative points of view that can be analysed quantitatively.

- The features of the synthesised perspectives are, finally, related to the characteristics of the persons questioned to try to understand the implicit reasons for the preferences expressed.

3. Data collection

Apart from three phrases on history, geopolitics, and transport networks, the other twenty-seven phrases were made relatively straightforward. Nine domains of cooperation multiplied by three different situations: 'Unilateral relations based on India', 'Unilateral relations based on Armenia' or 'Balanced cooperation'. The nine domains of cooperation are migration, tourism, trade, investment, education, science, health, medicine, and defence. The respondents were asked to express their level of agreement with each phrase on a scale of 1 to 5 (1 meaning 'strongly disagree' and 5 'strongly agree').

Of the seventeen respondents, ten were from India (58.8 %) and seven from Armenia (41,2 %) each one of them making 435 comparisons between statements. This is enough for the Q Method that performs a Principal component analysis of 17 variables (the questioned) and 30 observations (the phrases).

Respondents come from a good interdisciplinary set of specialists in Humanities (18.8%), Social Sciences (50%), Natural Sciences (12.5%) and Engineering (18.8 %). Most of the persons that responded the questionnaire were academics (64,7%), consultants (23.5%) and public servants (11.8%). No one present considered him or herself as a politician. The average age of the respondents is 42 years old, 11% being aged under 30 years old, 74% being between 30 and 50 years old, and 16% between 50 and 70 years old.

Domain	Phrases
History and Geopolitics of Nodes of Global Routes	1) Indian-Armenian historical relationships are a patrimony for the promotion of cooperation between the two countries.
	2) Indian-Armenian location in the Trans-Asian Routes constitute an important asset for the promotion of cooperation between the two countries.
	3) Indian-Armenian geopolitics in Eurasia is important for the cooperation between the two countries.
Migration	4) Indian-Armenian relationships have good prospects regarding migration from India to Armenia.
	5) Indian-Armenian relationships have good prospects regarding migration from Armenia to India.
	6) Indian-Armenian relationships have good prospects regarding balanced migration flows.
Tourism	7) Indian-Armenian relationships have good prospects regarding tourism from India to Armenia.
	8) Indian-Armenian relationships have good prospects regarding tourism from Armenia to India.
	9) Indian-Armenian relationships have good prospects regarding balanced touristic flows.

Trade	10) Indian-Armenian relationships have good prospects regarding exports from India to Armenia.
	11) Indian-Armenian relationships have good prospects regarding exports from Armenia to India.
	12) Indian-Armenian relationships have good prospects regarding balanced trade flows.
Investment	13) Indian-Armenian relationships have good prospects regarding investments of Armenia in India.
	14) Indian-Armenian relationships have good prospects regarding investment of India in Armenia.
	15) Indian-Armenian relationships have good prospects regarding balanced investment flows.
Education	16) Indian-Armenian relationships have good prospects regarding Armenian Students going to India.
	17) Indian-Armenian relationships have good prospects regarding Indian Students going to Armenia.
	18) Indian-Armenian relationships have good prospects regarding balanced exchange of students.
Science	19) Indian-Armenian relationships have good prospects regarding Armenian Researchers visiting India.
	20) Indian-Armenian relationships have good prospects regarding Indian Researchers visiting Armenia.
	21) Indian-Armenian relationships have good prospects regarding balanced exchange of researchers.
Health	22) Indian-Armenian relationships have good prospects regarding Indian patients going to Armenia.
	23) Indian-Armenian relationships have good prospects regarding Armenian patients going to India.
	24) Indian-Armenian relationships have good prospects regarding Indian balanced exchange of patients.
Medicine	25) Indian-Armenian relationships have good prospects regarding Indian medical doctors going to Armenia.
	26) Indian-Armenian relationships have good prospects regarding Armenian medical doctors going to India.
	27) Indian-Armenian relationships have good prospects regarding Indian balanced medical exchange of doctors.
Defence	28) Indian-Armenian relationships have good prospects regarding Indian militaries visiting Armenia.
	29) Indian-Armenian relationships have good prospects regarding Armenian militaries visiting India.
	30) Indian-Armenian relationships have good prospects regarding Indian balanced exchange of militaries.

Table 1: Phrases on Cooperation between Armenia and India

4. A Preliminary analysis of the data

Table 2 presents the preliminary analysis of data collect. Notice that each questioned compared implicitly 30 phrases and being so, the implied number of responses from 17 respondents is (17 x 435 comparisons = 7395 observations).

It is interesting to notice that bilateral cooperation in tourism and science received the highest agreement. On the other hand, migration, mainly from Armenia to India, exchange of patients, doctors, and military people, beyond the relevance of geopolitics, had relatively low support from the questioned. The cooperation on trade, investment and education have agreements and disagreements.

		Armenia	India	Both
History and Geopolitics of Nodes of Global Routes	1) History is a patrimony for the promotion of	4,3	3,9	4,1
	2) Trans Asian Routes are important for cooperation	4,2	4,4	4,3
	3) Geopolitics in Eurasia is important for cooperation.	3,7	3,9	3,8
Migration	4) Migration from India to Armenia.	3,8	3,9	3,9
	5) Migration from Armenia to India.	2,8	3,1	3,0
	6) Balanced migration flows.	3,2	3,1	3,1
Tourism	7) Tourism from India to Armenia.	4,7	4,4	4,5
	8) Tourism from Armenia to India.	4,3	4,3	4,3
	9) Balanced touristic flows.	4,3	4,1	4,2
Trade	10) Exports from India to Armenia.	4,3	4,3	4,3
	11) Exports from Armenia to India.	4,2	3,9	4,0
	12) balanced trade flows.	4,0	3,9	3,9
Investment	13) Investments of Armenia in India.	3,0	3,9	3,6
	14) Investment of India in Armenia.	4,2	4,4	4,3
	15) Balanced investment flows.	3,3	3,9	3,7
Education	16) Armenian Students going to India.	3,7	4,0	3,9
	17) Indian Students going to Armenia.	4,8	4,0	4,3
	18) Balanced exchange of students.	4,0	3,8	3,9
Science	19) Armenian Researchers visiting India.	4,5	4,2	4,3
	20) Indian Researchers visiting Armenia.	4,8	4,4	4,5
	21) Balanced exchange of researchers.	4,5	4,0	4,2
Health	22) Indian patients going to Armenia.	3,3	3,2	3,2
	23) Armenian patients going to India.	3,7	3,5	3,5
	24) Indian balanced exchange of patients.	3,7	3,1	3,3
Medicine	25) Indian medical doctors going to Armenia.	3,5	4,0	3,8
	26) Armenian medical doctors going to India.	4,0	3,3	3,5
	27) Indian balanced medical exchange of doctors.	3,8	3,4	3,5
Defence	28) Indian militaries visiting Armenia.	2,7	3,2	3,0
	29) Armenian militaries visiting India.	2,7	3,4	3,1
	30) Indian balanced exchange of militaries.	2,7	3,4	3,1

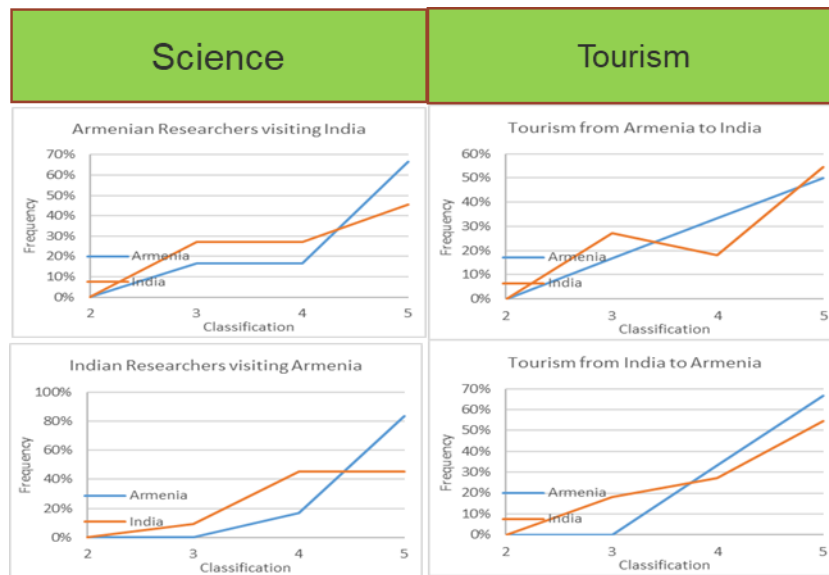Table 2: Relative Importance of the Cooperation Domains

Figure 1: Distribution of the Responses on Science and Tourism by Indians and Armenians

We can go even further in this preliminary analysis of the data collected. Looking at the Distribution of the Responses on Science and Tourism for Indian and Armenian (Figure 1) the Armenian respondents are more optimistic that the Indian ones in both areas. Mainly on tourism, where some Indians do not agree much on its development from Armenia to India.

Figure 2 presents the Distribution of the Responses on History, Trade, Investment and Education for Indian and Armenian respondents. In what comes to historical connections, Armenians are more enthusiastic about past links with India than Indians; nevertheless, in what concerns trade routes, respondents coming from India are more interested in Trans-Asian routes than ones from Armenia.

Looking into trade, respondents of both nationalities are very much interested in the development of exports from India to Armenia but there is not the same eagerness on the exports from Armenia to India. The same happens with investment with relatively good prospects on the investment from India into Armenia but at least from the Armenian side, much lower interest on investments from Armenia into India. Concerning education Armenians are interested in receiving Indian Students but Indian respondents are not so queen on this movement. On the other hand, both nationalities do not agree on the transferences of Armenian students to India.

Figure 2: Distribution of the Responses on History, Trade, Investment and Education by for Indians and Armenians

Figure 3 presents the Distribution of the Responses on Migration, Health, Medicine and Defence by Indians and Armenians. Regarding migration, the respondents of both nationalities distrust the possibility of cooperation. Nevertheless, there are some Indians who disagree with that disbelief namely when migration associates with investment, as shown in the next section.

On the other hand, there is not much interest in the exchange of patients but concerning the exchange of doctors there are signals that it might be interesting to have Indian doctors visiting Armenia. Finally, the respondents of both countries do not see much interest in the cooperation in defence.
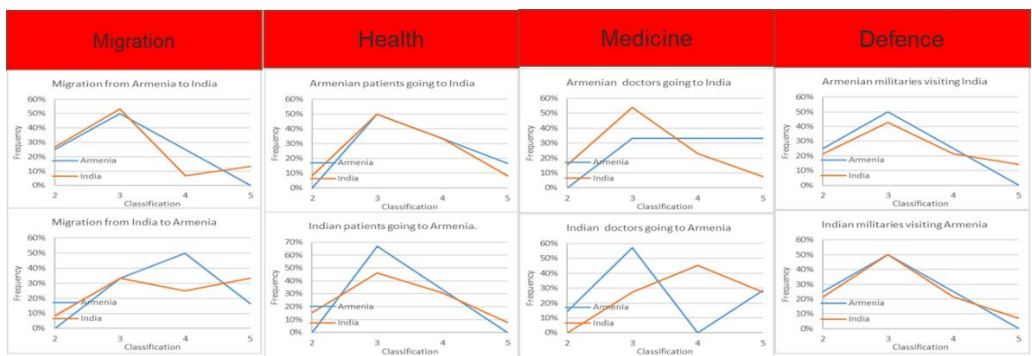

Figure 3: Distribution of the Responses on Migration, Health, Medicine and Defence by Indians and Armenians

5. Results

The evaluations by the questioned – ranked from 1 to 5 - of the phrases of Table 1 are transposed so that the 17 validated respondents become variables, and the 30 phrases turn

into observations. This allows for the estimation of the Principal Components that synthesise the 17 profile responses into 5 components that can be seen as condensing of profile responses, named by the authors of the working paper according to their distinguished features. Notice that the first component represents what is common to all responses and each new component explains what is common but not taken in the preceding components. The exercise allows for the identification of distinct positions implicit in the responses. Finally, we regress the profile of these components with the characteristics of the respondents to understand who supports what.

Component 1: Against Migration

The first extracted component (Figure 4) shows the reaction against migration expressed more by Armenians and Academics and less by social scientists (Table 3). It also favours Indian Patients going to Armenia and Armenian researchers visiting India.
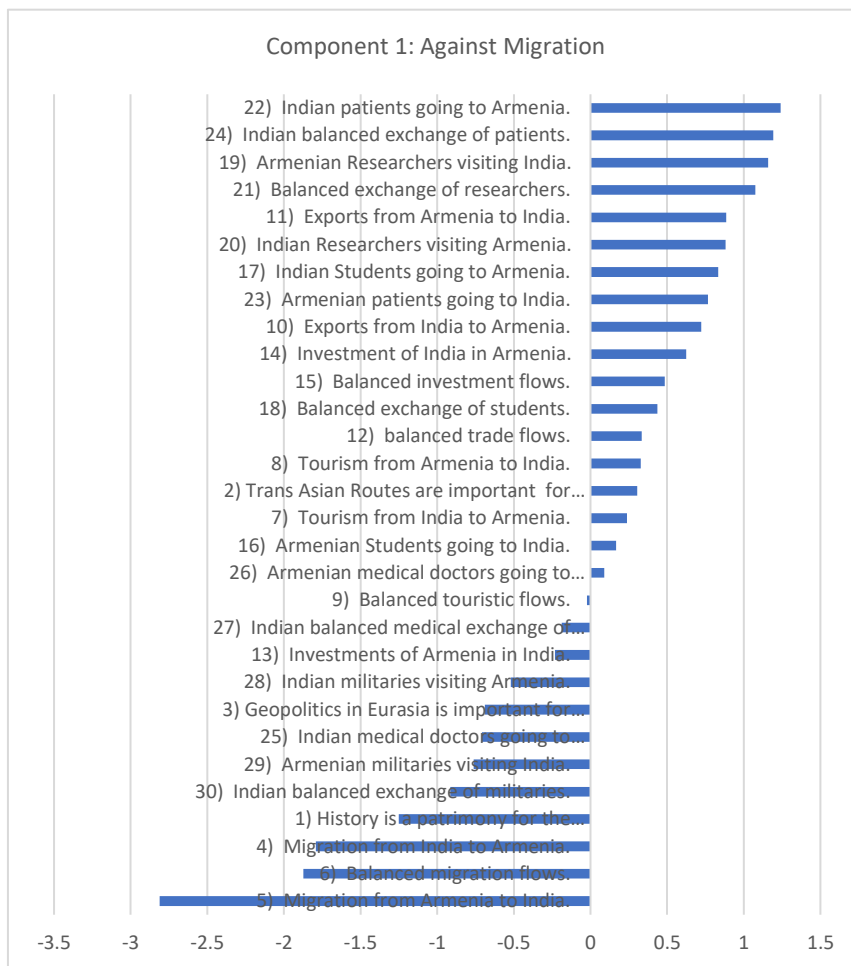

Figure 4: Component 1, Against Migration

Regression Statistics				
R múltiplo	0,507463			
Quadrado de R	0,257518			
Quadrado de R ajustado	-0,01247			
Erro-padrão	0,348564			
Observações	16			

ANOVA

	gl	SQ	MQ	F
Regressão	4	0,463532	0,115883	0,953796
				F de significância
Residual	11	1,336462	0,121497	
Total	15	1,799993		0,46982

	Coeficientes	Erro-padrão	Stat t	valor P
Interception	0,033587	0,540061	0,062191	0,951526
Country Armenia	0,363536	0,247638	1,468017	0,170104
Social Sciences	-0,29358	0,250961	-1,16981	0,266798
Academics	0,532375	0,316637	1,681343	0,120836
Age	-0,00305	0,009637	-0,317	0,757176

Table 3: Regression of the Component 1 Scores on the Features of Respondent

Component 2: In favour of Exports from India

The second extracted component (Figure 5) indicates the importance of trade, mainly exports from India into Armenia. Nonexplicit feature of the respondents have a robust association with the scores of component 2 indicating that this perspective is common to most people (Table 3).
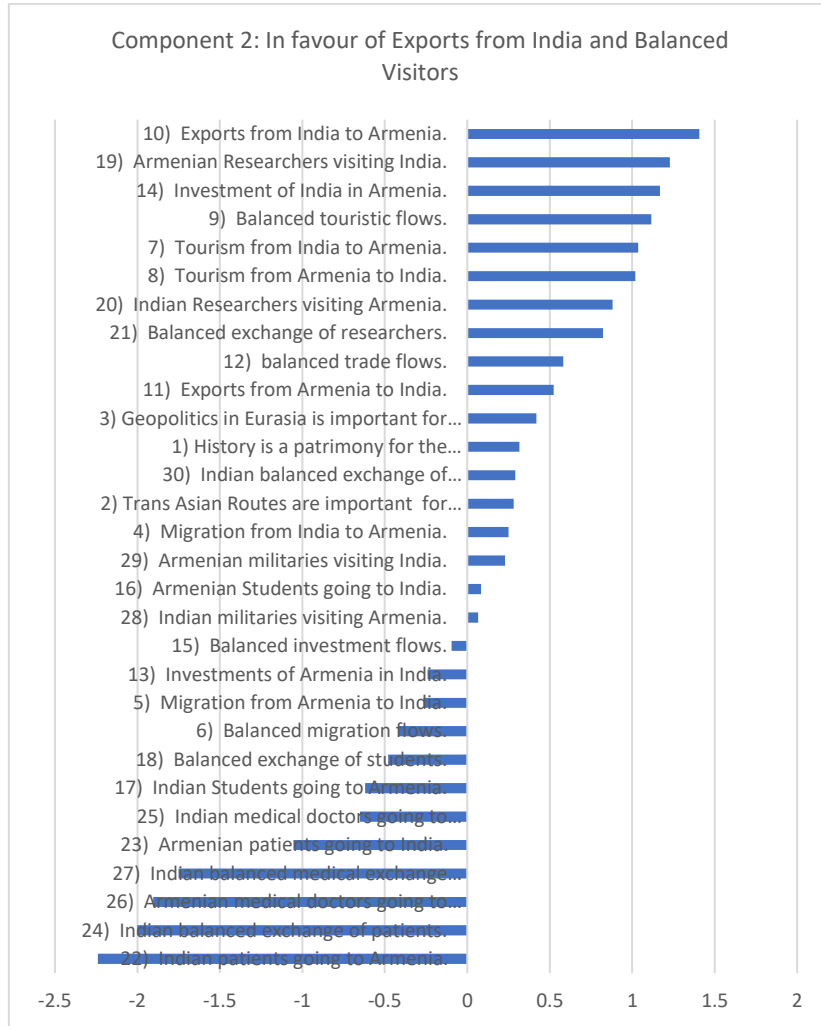

Figure 5: Component 2, in favour of Exports from India

Regression Statistoc				
R múltiplo	0,432763			
Quadrado de R	0,187284			
Quadrado de R ajustado	-0,10825			
Erro-padrão	0,313595			
Observações	16			

ANOVA				
	gl	SQ	MQ	F
Regressão	4	0,249282	0,06232	0,633715
				F de significância
Residual	11	1,081757	0,098342	
Total	15	1,331039		0,648893

	Coeficientes	Erro-padrão	Stat t	valor P
Interception	0,186263	0,48588	0,383352	0,708764
Country	-0,14778	0,222794	-0,6633	0,520798
Social Sciences	-0,17331	0,225783	-0,76762	0,458877
Academics	0,138248	0,284871	0,4853	0,636985
Age	0,00397	0,00867	0,457967	0,65589

Table 4: Regression of the Component 2 Scores on the Features of Respondents

Component 3: In favour of Indian People in Armenia

The third extracted component (Figure 5) favours the presence of Indians in Armenia, migrants, students, researchers, doctors, and tourists. Interestingly Armenian respondents associate with this component.
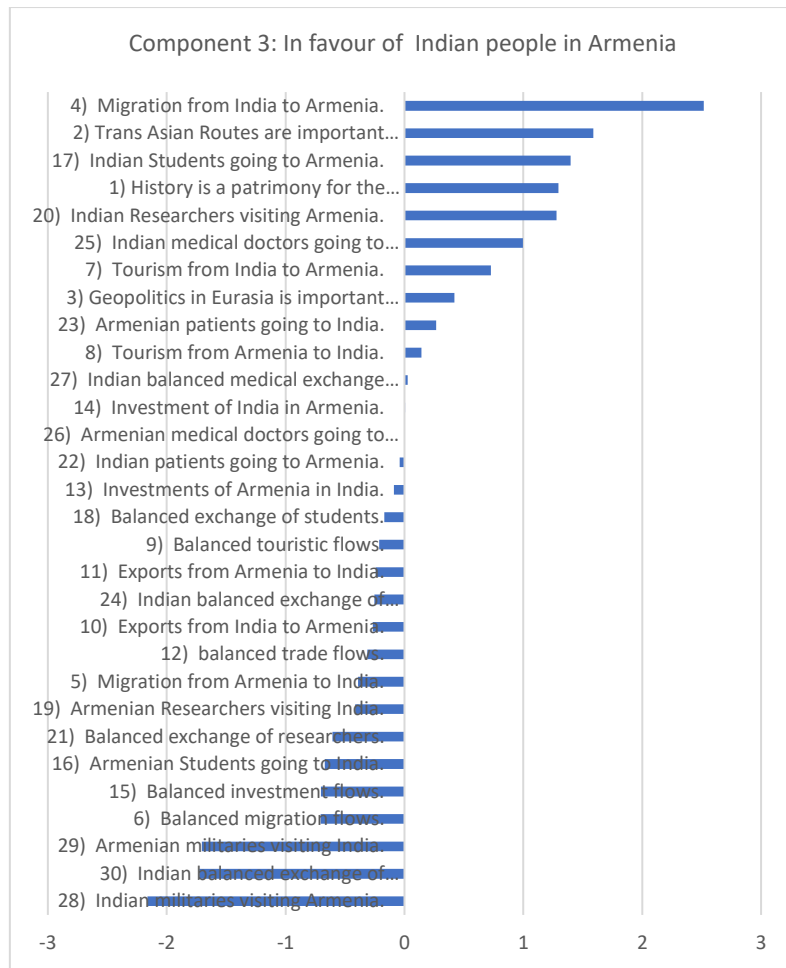
Figure 6: Component 3, in favour of Indian people in Armenia

Regression Statistics	
R múltiplo	0,551007
Quadrado de R	0,303609
Quadrado de R ajustado	0,050376
Erro-padrão	0,265536
Observações	16

ANOVA

	gl	SQ	MQ	F
Regressão	4	0,338142	0,084536	1,19893
Residual	11	0,775601	0,070509	F de significância
Total	15	1,113743		0,364905

	Coeficientes	Erro-padrão	Stat t	valor P
Interception	-0,33642	0,411418	-0,81772	0,430875
Country	0,406272	0,188665	2,153571	0,054309
Social Sciences	-0,0867	0,191182	-0,45347	0,659022
Academcs	0,266364	0,241214	1,104267	0,293047
Age	0,007512	0,007341	1,023262	0,328161

Table 5: Regression of the Component 3 Scores on the Features of Respondents

Component 4: In favour of Balanced Flow of People

The fourth extracted component (Figure 6) favours balanced flows of goods, doctors, tourists, students, migrants, and researchers. This is a feature common to all respondents.
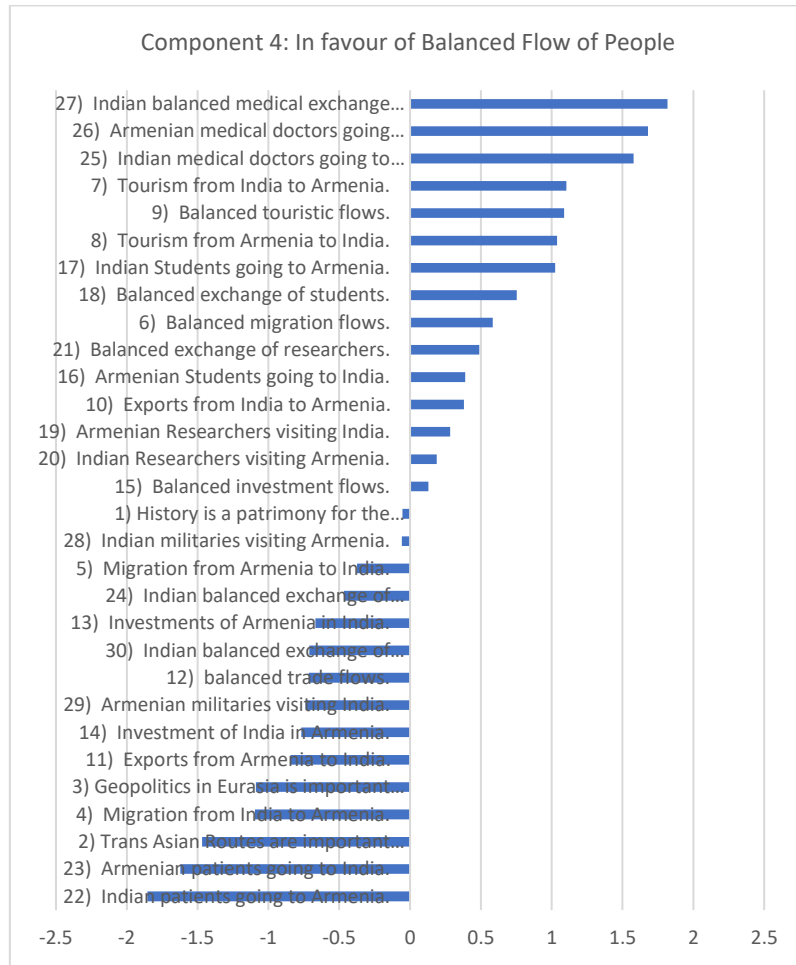

Figure 7: Component 4, in favour of balanced flow of people and goods

Regression Statistics				
R múltiplo	0,431132			
Quadrado de R	0,185875			
Quadrado de R ajustado	-0,11017			
Erro-padrão	0,380347			
Observações	16			

ANOVA				
	gl	SQ	MQ	F
Regressão	4	0,363313	0,090828	0,627858
Residual	11	1,591302	0,144664	F de significância
Total	15	1,954615		0,652604

	Coeficientes	Erro-padrão	Stat t	valor P
Interception	-0,19269	0,589306	-0,32698	0,749821
Country	0,213603	0,270218	0,790482	0,445954
Social Sciences	-0,06306	0,273844	-0,23027	0,822112
Academcs	-0,09689	0,345509	-0,28044	0,784347
Age	0,007209	0,010515	0,685539	0,507194

Table 6: Regression of the Component 4 Scores on the Features of Respondents

Component 5: In favour of Armenians in India

The fifth extracted component (Figure 7) favours the presence of Armenians in India. This perspective has robust connections with older academics from Armenia.
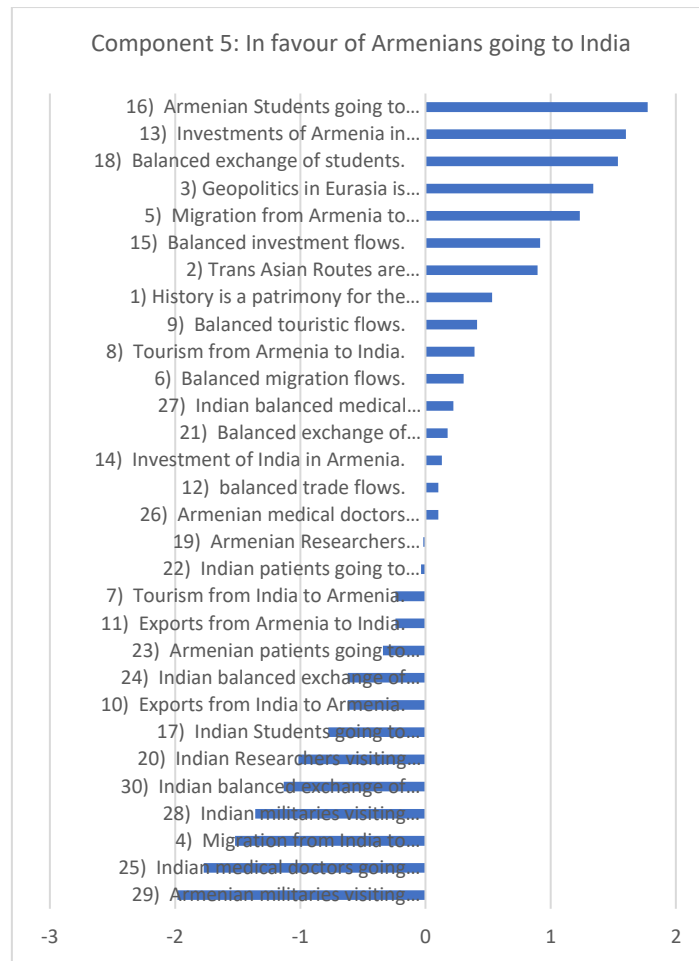
Figure 8: Component 5, in favour of Armenians in India

Regression Statistics				
R múltiplo	0,69077			
Quadrado de R	0,477163			
Quadrado de R ajustado	0,287041			
Erro-padrão	0,287407			
Observações	16			

ANOVA				
	gl	SQ	MQ	F
Regressão	4	0,8292253	0,2073113	2,509767
Residual	11	0,9086628	0,082603	F de significância
Total	15	1,737881		0,102388

	Coeficientes	Erro-padrão	Stat t	valor P
Interception	-1,14761	0,445305	-2,57714	0,025721
Country	0,349794	0,204188	1,713095	0,114701
Social Sciences	-0,37195	0,206928	-1,79749	0,099732
Academics	0,662649	0,261081	2,538095	0,027573
Age	0,017409	0,0079946	2,190965	0,050882

Table 7: Regression of the Component 5 Scores on the Features of Respondents

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6. Discussion

Figure 9 presents a summary of the results of the exercise. First, the more common attitude regarding the cooperation between Armenia and India is against migration and in favour of visitors. Notwithstanding this, it is interesting to perceive that some Armenians are open to receive migrant/investors from India whereas others assume the possibility of Armenian migrant/investor establishing themselves in India as happened until the Indian independence. On the other hand, Indians aggregate into those that want to promote Indian exports to Armenia and those that defend balanced cooperation despite the bid difference in the size of the countries.
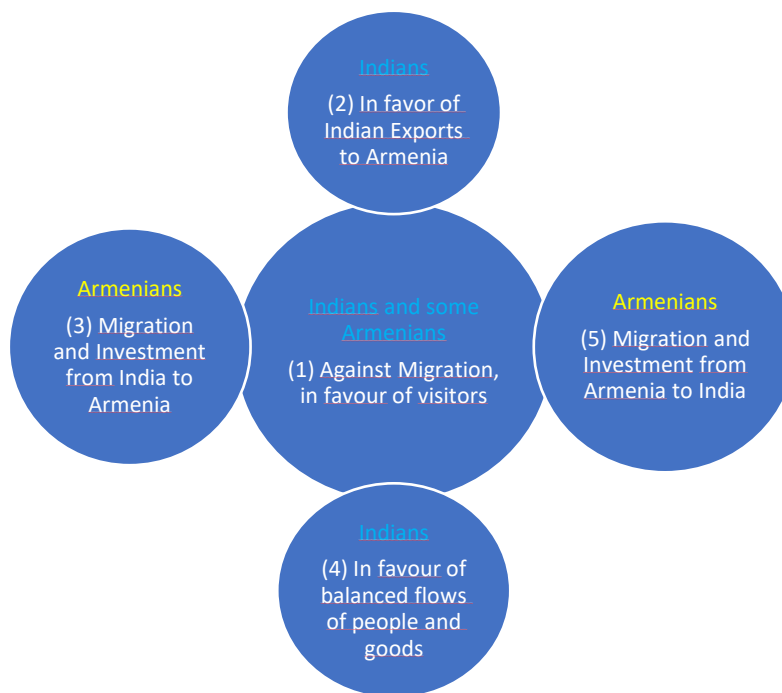

Figure 9: Synthesis of the Attitudes Regarding Indian Armenian Cooperation

Regarding the components (3 – migration and investment from India to Armenia) and (5 - Migration and Investment from Armenia to India) it is interesting to report illustrative narratives[1]:

Migrant and Investor form India to Armenia

'I am Rupesh Sharma. I came to Armenia on 23 July 2018 for the first time with on a Tourist Visa to see business opportunities. It took two months to see the market for an

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[1] The following accounts consist of the original statements of two migrant investors. These have been subject to minor edits.

Indian businessperson, but I did not find any good business for me that time. Then I met one a good friend and he gave me advice to start a shop. I started a wholesale shop in the Astrack Market. I was supplying all Indian spices in the 6/7 Indian shops and restaurants. Slowly I made some relations with Armenian people and they advised me to start in the agriculture or education businesses. Nevertheless, after 7 Months I went back to India to see my Indian business. I have a hotel in Ahmedabad. After four months, returned to Armenia. In this period, my business partner was overlooking the business. On the second time when I reached Armenia, I met university directors to start a partnership in canteen business. That time we visited 3/4 places, but they were not satisfying with the canteen business. So, I started a small cafe in Halabyan Street, named 'Riddhi fast food'. From this cafe, I connected with many Indian and Iranian students. They always asked me for accommodation. Until this time, I was searching for a small hostel or hotel for students because I wanted to solve all their problems. So, they could get all facilities under one roof. After a few months, I started a Hotel in Griboyedov Street with 15 rooms. By this time, I had many contacts of students and many Indian businesspersons in Armenia. Now I am running my hotel and it is a successful business in Armenia. Now I have a plan to go into the agriculture sector or education, it depends on opportunity and investment. This is my small journey of business in Armenia.'

Migrant and Investor form Armenia to India

'I am Ashkhen Khachatryan, an economist. Before moving to India, I was working at the Government office of the Tavush Region. I moved to Chennai in 2014 and my first months were the hardest. I had to adjust to this weather, had no friends, and no job. After some months, I started working at the Russian Centre of Science and Culture, as a Russian language teacher. There I was able to make friends and one of them started a Tour company. We were organizing weddings and business meetings for our international clients in India. We had some successful cases. Because of our business I started to learn more about digital marketing, especially Instagram marketing. It has been already 3 years since I have been running my online business in Personal Branding and Instagram Marketing Expert. In Chennai (my Instagram account is @ashkhenpro). I am the owner of 2 online courses Instagrammer (1 month) and Brand YOU (2 months) and I do consultations, webinars, etc.'

These accounts illustrate the potential of a global world where migrant specialised entrepreneurs play a crucial role.

7. Conclusions

It may appear as odd to dedicate time to the study of potential of cooperation between Armenia and India. However, the fact is that there are lines of cooperation worthwhile to promote. There are also good perspectives on bilateral cooperation in science and tourism and, with a more profound analysis, some interesting possibilities in the flow of migrant/investors both from India to Armenia and vice-versa.

This small-scale migrant / investor cooperation indicated that bigger non-topological Trans-Asian cooperation might be established. Why not in Indian investment in Armenian airline services that will address the strange isolation of a relatively central country like Armenia? For this, certainly, the intervention of both diplomacies is necessary - governments, entrepreneurs, and financial institutions.

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